

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 08/15)

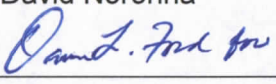
Fiscal Year 2016-17	Business Unit 0845	Department California Department of Insurance	Priority No. SO - 1
Budget Request Name 0845-001-BCP-BR-2016-GB		Program 0530 - Fraud Control 9900100 - Administration 9900200 - Distributed Administration	Subprogram 0530055 - Enhanced Fraud - Fraud Division

Budget Request Description

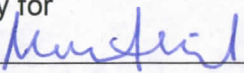
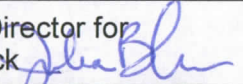
CDI Menu Modernization Project (CMMP) - Year 3

Budget Request Summary

The California Department of Insurance (CDI) is requesting a one-time increase of expenditure authority in Fiscal Year (FY) 2016-17 of \$2,749,000 (\$1,787,000 Special Fund and \$962,000 General Fund (GF)). The increase will support 4.0 positions and 2.5 Temporary Help Position authority to complete Year 3 implementation of a five-year project to replace/upgrade its legacy CDI Menu and Integrated Database (IDB). Future year resource requirements will continue to be addressed through the annual budget process.

Requires Legislation <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO for David Noronha 	Date 12/14/2015
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input checked="" type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. 0845-042 Date: 4/1/2014		

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Jamison LaCasse	Date 12/14/2015	Reviewed By for Crista Hill 	Date 12/14/2015
Department Director for Erika Sperbeck 	Date 12/14/2015	Agency Secretary N/A	Date

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

BCP Type: ☐ Policy ☐ Workload Budget per Government Code 13308.05

PPBA Original signed by
Jeff Carosone

Date submitted to the Legislature
1-7-16

OFFICE OF THE
CLERK OF THE SUPREME COURT

2015 DEC 31 AM 9:23

DEPARTMENT OF FINANCE
COR/JUD

BCP Fiscal Detail Sheet

BCP Title: CMMP Year 3

DP Name: 0845-001-BCP-DP-2016-GB

Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	4.0	0.0	0.0	0.0	0.0
Positions - Temporary	0.0	2.5	0.0	0.0	0.0	0.0
Total Positions	0.0	6.5	0.0	0.0	0.0	0.0
Salaries and Wages						
Earnings - Permanent	0	416	0	0	0	0
Earnings - Temporary Help	0	134	0	0	0	0
Total Salaries and Wages	\$0	\$550	\$0	\$0	\$0	\$0
Total Staff Benefits	0	281	0	0	0	0
Total Personal Services	\$0	\$831	\$0	\$0	\$0	\$0
Operating Expenses and Equipment						
5301 - General Expense	0	6	0	0	0	0
5302 - Printing	0	2	0	0	0	0
5304 - Communications	0	5	0	0	0	0
5320 - Travel: Out-of-State	0	3	0	0	0	0
5320 - Travel: In-State	0	27	0	0	0	0
5322 - Training	0	74	0	0	0	0
5324 - Facilities Operation	0	25	0	0	0	0
5340 - Consulting and Professional Services - External	0	1,048	0	0	0	0
5344 - Consolidated Data Centers	0	2	0	0	0	0
5346 - Information Technology	0	658	0	0	0	0
5368 - Non-Capital Asset Purchases - Equipment	0	68	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$1,918	\$0	\$0	\$0	\$0
Total Budget Request	\$0	\$2,749	\$0	\$0	\$0	\$0
Fund Summary						
Fund Source - State Operations						
0001 - General Fund	0	963	0	0	0	0
0217 - Insurance Fund	0	1,786	0	0	0	0
Total State Operations Expenditures	\$0	\$2,749	\$0	\$0	\$0	\$0
Total All Funds	\$0	\$2,749	\$0	\$0	\$0	\$0

Program Summary

Program Funding

0535	- General Fund Tax Collection and Compliance	0	11	0	0	0	0
0520010	- Rate Regulation	0	204	0	0	0	0
0520019	- Regulatory	0	227	0	0	0	0
0520028	- Licensing	0	239	0	0	0	0
0520037	- Special Programs	0	87	0	0	0	0
0525010	- Legal Compliance	0	92	0	0	0	0
0525019	- Investigations	0	158	0	0	0	0
0525028	- Consumer Services and Market Conduct	0	276	0	0	0	0
0530010	- Fraud - Auto	0	205	0	0	0	0
0530019	- Fraud - Workers' Compensation	0	227	0	0	0	0
0530028	- Fraud - General Assessment	0	28	0	0	0	0
0530037	- Fraud - Disability and Healthcare	0	32	0	0	0	0
0530055	- Enhanced Fraud - Fraud Division	0	963	0	0	0	0
9900100	- Administration	0	1,786	0	0	0	0
9900200	- Administration - Distributed	0	-1,786	0	0	0	0
Total All Programs		\$0	\$2,749	\$0	\$0	\$0	\$0

				Salary Information								
Positions				Min	Mid	Max	CY	BY	BY+1	BY+2	BY+3	BY+4
1367	-	Sys Software Spec III (Tech) (Eff. 07-01-2016)					0.0	1.0	0.0	0.0	0.0	0.0
1373	-	Sys Software Spec II (Tech) (Eff. 07-01-2016)					0.0	1.0	0.0	0.0	0.0	0.0
1559	-	Sys Software Spec III (Supvry) (Eff. 07-01-2016)					0.0	1.0	0.0	0.0	0.0	0.0
1583	-	Sr Programmer Analyst (Spec) (Eff. 07-01-2016)					0.0	1.0	0.0	0.0	0.0	0.0
TH00	-	Temporary Help (Eff. 07-01-2016)					0.0	2.5	0.0	0.0	0.0	0.0
Total Positions							0.0	6.5	0.0	0.0	0.0	0.0
Salaries and Wages				CY	BY	BY+1	BY+2		BY+3		BY+4	
1367	-	Sys Software Spec III (Tech) (Eff. 07-01-2016)		0	88	0	0		0		0	
1373	-	Sys Software Spec II (Tech) (Eff. 07-01-2016)		0	81	0	0		0		0	
1559	-	Sys Software Spec III (Supvry) (Eff. 07-01-2016)		0	93	0	0		0		0	
1583	-	Sr Programmer Analyst (Spec) (Eff. 07-01-2016)		0	81	0	0		0		0	
TH00	-	Temporary Help (Eff. 07-01-2016)		0	207	0	0		0		0	
Total Salaries and Wages				\$0	\$550	\$0	\$0		\$0		\$0	
Staff Benefits												
5150900	-	Staff Benefits - Other		0	281	0	0		0		0	
Total Staff Benefits				\$0	\$281	\$0	\$0		\$0		\$0	
Total Personal Services				\$0	\$831	\$0	\$0		\$0		\$0	

Analysis of Problem

A. Budget Request Summary

The California Department of Insurance (CDI) is requesting a one-time increase of expenditure authority in Fiscal Year (FY) 2016-17 of \$2,749,000 (\$1,787,000 Special Fund and \$962,000 General Fund (GF)). The increase will support 4.0 positions and 2.5 Temporary Help Position authority to complete Year 3 implementation of a five-year project to replace/upgrade its legacy CDI Menu and Integrated Database (IDB). Future year resource requirements will continue to be addressed through the annual budget process.

B. Background/History

The CDI Menu is a gateway or portal (user interface) that was developed along with the IDB in 1992 using an Oracle Forms and Reports platform. The core of the CDI Menu is the IDB database, the backend database which includes the majority of the CDI Menu's rules and database triggers. Built over 20 years ago, the technology supporting the current IDB is outdated and the vendor will no longer provide support for this technology after June 2017.

The CDI Menu provides access to over 90 different functions, reports, studies, and views. For example, the Fraud Integrated Database (FIDB) System provides on-line access, permitting input and/or retrieval of data such as case activity notes, timekeeping, case contacts, suspects, witnesses, case review, case assignment, investigative plans, and management reports. The system's aging technology has created several functionality issues and challenges

Recognizing the growing problem, CDI's Administration and Licensing Services Branch (ALSB) - Information Technology Division (ITD) worked closely with the Department's executives to make the overhaul of the current CDI Menu and IDB a part of the Department's strategic plan. In FY 2013-14, the California Department of Technology (CDT) approved the CDI's CMMP Feasibility Study Report (FSR) to replace its legacy CDI Menu and IDB database. As part of the FY 2014-15 Budget enactment process, the Legislature approved a Spring Finance Letter (SFL) to fund Year 1 of the CMMP and in FY 2015-16 the Legislature approved a Budget Change Proposal (BCP) to fund Year 2. Funding for the remaining years of the project are to be requested through the annual BCP process.

With a CDT current project score card rating status of "green", the first year of the CMMP project is complete. It included the completion of the data analysis, design and a framework for data management for the project. It also resulted in the selection of the software development platform and completion of a Proof of Concept, which determined that processes and technologies offered a viable solution to replacing the CDI Menu. Most significant, Year 1 completed the development of the FSR identified system 'pilot'. The 'pilot' is the Consumer Services and Market Conduct Branch - Consumer Services Division's Consumer Complaint Center and Provider Complaint Center which provides a portal for healthcare providers and consumers to electronically file a complaint, upload supporting documentation and allows Insurers a similar portal for submitting documentation to the Department.

Additionally, GF monies are available for appropriation to fund a portion of Year-3 costs. On November 4, 2013 Commissioner Dave Jones announced a \$46,000,000 settlement with Sutter Health to resolve a 2011 whistle-blower lawsuit. The State's share of the settlement was \$20,613,000, which was paid to the General Fund (GF). The statute provides for the Legislature to appropriate these funds for enhanced fraud investigation and prevention efforts.

CIC Section 1871.7 (g)(1)(A)(iv) states "*Those portions of a judgment or settlement not distributed pursuant to this subdivision shall be paid to the General Fund of the state and, upon appropriation by the Legislature, shall be apportioned between the Department of Justice and the Department of Insurance for enhanced fraud investigation and prevention efforts.*"

To date, the Legislature has approved a total of \$19,867,000 in GF appropriation to CDI. In FY 2014-15, a Spring Finance Letter was approved appropriating \$18,340,000 (\$4,585,000 annually for four years) for Enhanced Fraud Investigation and Prevention, and in FY 2015-16, \$1,527,000 was appropriated as part of CMMP Year 2. Additionally, due to funds not being fully expended in Year 1 of the Department's Enhanced

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Fraud Investigation and Prevention efforts, an additional \$1,249,000 is available for re-appropriation. As a result the remaining GF balance available for appropriation is \$1,995,000. Thus, CDI is requesting an additional GF appropriation of \$967,000 to support the enhanced fraud database upgrades as part of the CDI Menu Modernization project.

Administration and Licensing Services Branch - CDI Menu Modernization Project

Resource History ^{1/} (Dollars in thousands)

Program Budget	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16 (Projected)
Authorized Expenditures ^{2/}	\$0	\$0	\$0	\$0	\$3,110
Actual Expenditures ^{3/}	\$0	\$0	\$0	\$1,165	\$3,110
Authorized Positions ^{4/ 5/}	0.0	0.0	0.0	0.0	24.0
Filled Positions ^{5/}	0.0	0.0	0.0	10.0	24.0
Vacancies	0.0	0.0	0.0	0.0	0.0

^{1/} The CDI Menu Modernization Project Index was created in September 2014. Positions were redirected throughout the remainder of the year to work on the project. Thus, FY 2014-15 only includes data from September 2014 to June 2015.

^{2/} Based on Allotment.

^{3/} Based on FM 13 year-end budget reports.

^{4/} Does not reflect Temporary Help resources approved in FY 2014-15 & FY 2015-16.

^{5/} Based on Salaries & Wages (7A).

Administration and Licensing Services Branch - CDI Menu Modernization Project

Workload History ^{1/} (Annual hours)

Workload Measure	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15 ^{2/}	FY 2015-16 (Projected) ^{3/}
Maintenance of Existing Systems & Software Upgrades	N/A	N/A	N/A	3,945	375
Operations	N/A	N/A	N/A	9,040	9,025
CMMP Project Work (Architecture, Database Administration, Networking, System Development, Project Management)	N/A	N/A	N/A	20,609	37,572
Total Hours	N/A	N/A	N/A	33,594	46,972

^{1/} The CDI Menu Modernization Project Index was not established until FY 2014-15.

^{2/} Hours were derived from the time recorded for each Employee assigned to work on Project.

^{3/} The updated FY 2015-16 projection is the average hours worked in July 2015 multiplied by 12.

C. State Level Considerations

Commissioner Jones is committed to developing state-of-the-art information technology solutions. This proposal is consistent with CDI's strategic goals to:

- Provide excellent, fair, and responsive service.
- Advance effective and efficient business processes.
- Value resources and use them wisely.
- Promote innovation and professional growth.

Additionally, this proposal aligns with the goals of the Commissioner in the fight against insurance fraud in California. One of the Commissioner's highest priorities has been to reduce insurance fraud, as the cost of fraud is ultimately passed on to consumers in the form of higher insurance premiums. The CMMP upgrade to the FIDB system will interface to the National Association of Insurance Commissioners and the National Insurance Crime Bureau systems, allowing for CDI's Enforcement Branch - Fraud Division to perform data

Analysis of Problem

analytics on national data, as well as the CDI data. Data analytics allows the Fraud agent to spot discrepancies in reports that were not easily detected with the current system. This proposal will help fight the growing problem of insurance fraud through which consumers and insurance companies can electronically report suspected fraud to the CDI.

D. Justification

The CDI is heavily dependent on data and information resources in order to carry out its statutory responsibilities to regulate California's insurance industry and protect consumers. Currently the CDI Menu and the IDB facilitate the flow of data and information between interdepartmental groups, external stakeholders, other state agencies, and the general public. The CDI Menu and the IDB are essential to the daily operations of the CDI. By replacing/upgrading the CDI Menu and the IDB, it will allow the CDI to continue to address the needs of consumers and industry.

The CMMP funding for Years 1 and 2 was approved by the Governor and the Legislature and the CDI has received total resources of \$4,106,000. The CDI is requesting Year 3 resources of \$2,749,000 to continue the project. Year 3 of the CMMP includes completion of the reengineering of the FIDB system, the completion of upgrading systems for ALSB - Licensing Services Division (LSD) and ALSB - Financial Management Division (FMD), and begins work for the Rate Regulation Branch (RRB) and Financial Surveillance Branch (FSB) Systems.

The completion of the FIDB represents approximately 35 percent of the work in Year 3 of the project (\$962,000 GF). As identified in the Year 2 BCP, the CDI proposed the enhancement of its current technology capabilities for investigating and preventing fraud. FIDB serves as the Enforcement Branch - Fraud Division's case management, analysis and timekeeping system. It provides on-line access to entering or retrieving case activity information, linking of cases and viewing information based on the user's authorized profile. Newer technology will offer enhanced investigative technology capability such as data analytics functionality and interface capability with national crime databases.

The completion of upgrading systems for LSD and FMD represents approximately 42 percent of the work in Year 3 and the remaining 23 percent upgrading systems for RRB and the FSB. These upgrades will streamline data systems, case management systems, and reporting systems creating efficient ways to track, store, and generate data to assist in day-to-day activities. Upgrading these systems will allow the department to avoid seeking the support from third-party contractors at substantially higher costs to service current systems that lose support in 2017.

The CDI is requesting \$1,814,000 for external contracts for software, project management, and project oversight and \$935,000 to support 4.0 positions and 2.5 Temporary Help position authority. These resources will allow staff to continue the development and overhaul of the CDI Menu and IDB. See the attached workload matrix (Attachment A) for a detailed breakdown of the position responsibilities and functions.

The importance of replacing all the CDI Menu systems is the same for all systems: to sustain core business processing, reduce work-arounds, and enable centralized efficiencies through replacement of the CDI's legacy application development platform that will no longer be supported after June 2017. It is vital to the CDI that Year 3 resources of \$2,749,000 are approved given Year 1 completion and the implementation of Year 2. If Year 3 is not approved, uncompleted upgrades from Year 2 will not be finalized and resources will have been wasted on system upgrades that are unusable.

E. Outcomes and Accountability

Internally this project will be governed by a Project Steering Committee and an Executive Steering Committee made up of management representatives and Department Executives. These committees provide direct project oversight and control and ITD will be responsible for reporting the project's progress.

Externally, the CDT will continue to provide project oversight during the duration of the project. CDI is responsible for reporting the project's progress at regular intervals determined by CDT. If there are any deviations to project cost, schedule, and/or scope greater than 10 percent, the CDI will be responsible for

Analysis of Problem

submitting a Special Project Report to the CDT. This project is consistent with the CDT's strategic goals which are:

- Information is an asset.
- Efficient, consolidated, and reliable infrastructure and services.
- Accessible and mobile government.
- Capable information technology workforce.

The project will also employ CDI's project management and risk management framework as documented in its Project Management Office Procedures/Methodology Handbook. The CDI will rely on a Project Manager, Independent Project Oversight consultants, and Independent Verification and Validation consultants. Additionally, monthly project status reports will be provided along with project meetings to communicate issues, concerns, risks, and upcoming activities. The following chart reflects more specific details regarding Year 3 project objectives and accountability measures.

Projected Outcomes

Objective	Measure(s)
Follow IT strategic roadmap for centralized and secured data storage	<ul style="list-style-type: none">• Systems architecture is aligned with strategic goals.
Improve development platform	<ul style="list-style-type: none">• At least 50 percent of the ITD development staff is trained on and can develop in the common development platform.
Improve the ability to restore systems in the case of a disaster	<ul style="list-style-type: none">• ITD will be able to restore CDI menu within four hours of a system wide outage once the network is operational.
Complete the FIDB system upgrade	<ul style="list-style-type: none">• The FIDB system will interface to the NAIC and NICB systems, allowing for the Enforcement Branch - Fraud Division to perform data analytics on national data, as well as the CDI data.<ul style="list-style-type: none">• Data analytics for fraud detection allows Fraud agents to take unstructured digital information from insurance companies or other entities and sift through this data to spot fraudulent claims.
Complete system upgrades for LSD and FMD	<ul style="list-style-type: none">• CDI has new systems that provide 100 percent of the current systems functionality.
Upgrade systems for RRB and FSB	<ul style="list-style-type: none">• Upgrade systems for the RRB and FSB (data, case management and reporting systems).

The CMMP is a five-year project and this proposal requests funding for Year 3 only. CDI's estimated future resource requirements will be addressed during the annual budget process as seen in the chart below.

Resource	FY 2017-18	FY 2018-19
Positions	5.5	0.0
Funding ¹⁷	\$1,853,000	\$278,000

¹⁷ Revised FSR for future years may be required due to statewide general salary increases in FY 2014-15 (2.0%) and FY 2015-16 (2.5%).

F. Analysis of All Feasible Alternatives

Alternative 1 – Approve the proposal as requested.

Pros:

- Lower long term costs because new development will use known best practices and a development platform that is familiar to existing and new development staff.
- Provides an investment into a new technology platform as opposed to an investment into an end of life legacy system that will be replaced within the next five years.
- Better technical fit, solution is reliable, stable and easier to maintain and will provide for easy expansion and replacement of existing system.
- Utilizes GF resources for the intended purpose.

Cons:

- Impacts the GF resources; however as a result of a whistle-blower settlement these monies were deposited in the GF for this purpose and should be available for appropriation.
- Adds temporary position growth in State Government.

Alternative 2 - Build the remaining CDI Menu Applications completely In-House (Assumes upgrading from Oracle Forum to Oracle APEX)

Pros:

- Implementation offers increased functionality including a web-based configuration, enhanced security, and file caching.
- In-house solution would provide flexibility by supporting multiple deployment platforms.
- Data clean-up and data modeling would be in scope and would improve the developers' ability for rapid development.
- The dependency on legacy institutional knowledge would be decreased.

Cons:

- Will cost \$387,408 in FY 2016-17 (as identified in the approved FSR) more than what was proposed Alternative #1.
- The upgrade from old to new does not resolve the problem of the complex relationships and inherited dependencies amongst applications.
- There is no clear migration path from the legacy version or Oracle Forms to the then current version of Oracle Apex.
- No reengineering of the business processes would be accomplished. This will prohibit the Branches from realizing the benefits of process reengineering.
- Functional improvement would be limited.

Alternative 3 - Vendor Run – Deliverable Based implementation of the remaining CDI Menu Applications

Pros:

- Development and implementation risk is transferred to the Primary Vendor.
- Vendors will bring in expertise in modernizing legacy insurance applications.

Cons:

- Will cost \$1,680,000 (as identified in the approved FSR) more in software customization costs in FY 2016-17 than Alternative #1 and \$1,580,000 more than Alternative #2.

Analysis of Problem

- Knowledge capital leaves when vendor completes implementation. CDI has had experience in multiple projects where maintenance and operations are transferred with very little knowledge transfer, forcing the ITD into steep learning curves and eventually having to backwards engineer the product in order to understand the functions and features enough to maintain them.
- Vendors would have little understanding at the detail level of the business requirements for the Department.
- Unless the product is kept standard with little or no tailoring to CDI specific requirements, patching and upgrading will be costly and time consuming.
- This option would not address the required improvements to the Disaster Recovery strategy.

Alternative 4 - Denial of Year 3 Request

Pros:

- CDI would not have to continue to fund a large-scale IT project.

Cons:

- CDI could potentially lose the entire IDB due to system failure.
- There would be an inability to meet programs' IT business needs, often the result of new Legislative statutory requirements.
- The current IT environment is not capable of meeting the Department's operational needs.
- IT efficiency would decrease and workload backlogs would increase.
- Operational costs would increase to support a dated system.
- CDI risks the worthiness of \$4,106,000 already invested in Year 1 and 2 of a five-year project.
- There would be significant long-term maintenance costs.

G. Implementation Plan

See the chart below for a detailed breakdown of the Year 3 major project milestones.

Year 3 Major Project Milestones

Project Phase	Project Milestones and Deliverables	Start Date	End Date
Procurement	Hardware contract execution	7/1/2016	6/30/2017
Procurement	COTS/MOTS Vendor and Developer contract executed or extended	7/1/2016	6/30/2019
Wave 4			
Design	Design document deliverable	7/1/2016	3/30/2017
Software Customization	Development acceptance report	10/1/2016	3/30/2017
Testing	Test acceptance report	1/1/2017	3/30/2017
Implementation	Move to production	4/1/2017	6/30/2017
Wave 5			
Design	Design document deliverable	10/1/2016	6/30/2017
Software Customization	Development acceptance report	12/1/2016	6/30/2017
Testing	Test acceptance report	4/1/2017	6/30/2017

H. Supplemental Information

CDI Menu Modernization Project - Year 3 Cost Breakdown

Item	FY 2016-17
Consulting & Professional Services – External	\$989,000
Primary Vendor Budget (Consulting)	\$600,000
Independent Oversight (IPOC)	\$139,000
Project Management	\$125,000
IV&V Budget	\$100,000
DGS Fees	\$25,000
Information Technology	\$626,000
Software	\$612,000
Hardware	\$14,000
Equipment	\$68,000
Training	\$75,000
Travel	\$25,000
Total	\$1,783,000

I. Recommendation

Alternative 1 – This is the only alternative that provides an economically sound, long-term solution for the Department's CDI Menu and IDB problems. Denial of this proposal will leave CDI with an IT environment that is not capable of meeting the Department's operational needs. The Department will continue to maintain and invest into a system that is well beyond its life expectancy. As of 2017, support costs for the current IDB will increase substantially as support will have to come from third-party vendors. The transition to a newer and more flexible technology solution will ensure the Department's ability to carry out its statutory responsibilities to regulate the insurance industry and protect consumers.

The risks associated with denying this proposal are significant. The CDI could potentially lose the entire IDB due to system failure. There would be an inability to meet programs' IT business needs, often the result of new Legislative statutory requirements. The current IT environment is not capable of meeting the Department's operational needs. IT efficiency would decrease and workload backlogs would increase. Operational costs would increase to support a dated system. Most importantly, the CDI risks the worthiness of \$4,106,000 already invested in Year 1 and Year 2 of a five-year project.

California Department of Insurance
FY 2016-17 CDI Menu Modernization Project (CMMP) - Year 3
Workload Matrix

ATTACHMENT A

System Software Specialist III Supervisor (Enterprise Architect)	PY Hours	System Software Specialist III (Database Administrator)	PY Hours	System Software Specialist II (Network)	PY Hours	Sr. Programmer Analyst Specialist (Developer)	PY Hours	Staff Services Manager or Equivalent	PY Hours
Technical Infrastructure, Architecture and Technical Support Management: Supervises the planning, analysis, design, development and maintenance of middleware and components that interface with the Service Oriented Architecture (SOA) environment. Leads Enterprise Application Integration (EAI) based solutions for integrating software applications. Custom off the shelf (COTS) solutions and appliances, with the CDI middleware environment. Oversees the planning of information systems for and provides technical guidance and direction to developers & analysts.	500	Performance Monitoring and Tuning: Monitors relational databases to optimize performance, resource use, and physical implementations; address a variety of integration issues including migration between disparate databases, integration, maintenance/conversion, capacity planning issues, and new applications.	300	Network Consultation: Provide consultation to CDI program areas and effectively coordinate changes with the enterprise network clients and distributed network support personnel to minimize adverse effects on the business clients. Troubleshoot technical issues that negatively impact the performance of business applications and network operating systems	300	System Administration: Create or modify system user account and profile information, reset passwords, control access settings, etc.	80	Subject Matter Expert: Provide and ensure requirements are defined to support the business process. Work with the data owners to define and champion the data quality program for data within the system. Resolve data-related issues that span applications within the business processes. Review test cases for integration testing associated with the system. Help validate user requirements for applications. Review requirements traceability matrix, and ensure that requirements have coverage. Help refine and determine feasibility, correctness, and completeness of end-user's requirement. Provide input for the design and construction of test cases and business scenarios. Validate executed test results	4,445
Enterprise Architecture Security: Establishes and maintains architecture and security for the infrastructure management, including project management plans (including schedule, cost, scope/change, risk/issue, quality, and communication), governing project activities from initiation through closure, practices for the following areas: Business Intelligence, Systems and Security Architecture, Technical Infrastructure Support, and on-going Operations, Maintenance.	300	Database Security: Maintains development, test of the required CDI production environments. Monitors and maintains database security and database software	120	Network Performance: Troubleshoot any reported problems, monitor performance and conduct system performance tuning. Develop plans and recommendations regarding implementation of changes that will improve the performance of CDI's enterprise network topologies, operating systems and client/server application software in the enterprise network environment	600	System Performance: Troubleshoot any reported problems; monitor performance and conduct system performance tuning.	80		
Disaster Recovery: Establishes and maintains disaster recovery and business continuity processes and procedures supporting CDI ensuring compliance with security policies, data backup and recovery procedures.	120	Database Backup and Recovery: Directs the design, implementation and test of database backup, recovery systems, database migration and archiving systems and procedures.	160	Network Virtualization: Provide network technical expertise involving complex virtualization design, configuration and implementation. Provide direction for troubleshooting of virtual systems and storage arrays as well as host servers/services and integrated components of the network. Provide leadership for complex systems administration such as Active Directory Design, MS Exchange, SCCM, and various Microsoft Server or Linux hosts.	600	System Updates: Perform regular software upgrades, and evaluate and apply operating system updates, patches, and configuration changes.	20		
Infrastructure Support: Lead the planning, design, development, test, implementation and maintenance and operations phases for projects related to the ADAM Infrastructure support Unit.	160	Database Management: Maintains availability and integrity of databases through multiple access schemes; facilitate sharing of common data by overseeing proper key and index management and data dictionary maintenance.	500	Network Security: Responsible for system and data security, and ensures security policies and procedures are established.	130	System Backups: Maintain daily repository backup and disaster recovery processes.	20		
Supervision: Recruit, interview, and hire staff. Effectively establish and communicate priorities, schedules and workload. Prepare on-going performance feedback, reports, probation and individual development plans and personnel related documentation. Develop annual training plan, monitor training needed by staff and ensure training is made available when possible. Provide mentorship and training opportunities to staff to enhance their abilities and opportunities for success. Ensure staff time and effort, including overtime, is accurately reported and tracked using approved resource tracking and project management tools.	500	Database Installation, Configuration, Upgrade, and Migration: Monitors relational databases to optimize performance, resource use, and physical implementations; address a variety of integration issues including migration between disparate databases, integration, maintenance/conversion, capacity planning issues, and new applications. Monitors and manages database backups, logs, and journals; install, maintain, and upgraded software; restore and/or recover data as required. Researches, issues, and provides strategic direction related to database security.	400	Configuration Management: Responsible for management of configuration changes through a defined configuration management and change control process that requires configuration identification, proposed changes, evaluation and prioritization of changes, integration of changes, and avoidance of impact to the document management system or other CDI systems.	150	Database Management: Maintain data libraries and index databases associated with the document management system repository and workflow processes. Ensure that data is processed, stored and accessed in accordance with CDI standards and is structured to support efficient enterprise-wide sharing of information.	100		

California Department of Insurance
FY 2016-17 CDI Menu Modernization Project (CMMP) - Year 3
Workload Matrix

ATTACHMENT A

System Software Specialist III Supervisor (Enterprise Architect)	PY Hours	System Software Specialist III (Database Administrator)	PY Hours	System Software Specialist II (Network)	PY Hours	Sr. Programmer Analyst Specialist (Developer)	PY Hours	Staff Services Manager or Equivalent	PY Hours
Systems Development Oversight: Provides production implementation oversight as needed for new and enhanced application implementations; advises on and recommends performance improvements related to the application architecture; Consults with Senior Developers on development issues that include trends, protocol, methodologies and frameworks; works collaboratively with architects to analyze current architecture to identify weaknesses and to develop opportunities for improvements such as expanding capacity, reducing response time, and increasing effectiveness.	200	System Development: Assists in developing system requirements, analyzes transactions and data volumes, and designs & develops complex databases and applications.	200			Systems Development: Evaluate system use and respond to requests for new development, or enhancements to the system. Perform systems analysis/design and develop new processes. This includes development of scanning processes and electronic forms and workflows, and on-line publishing.	500		
		Database Architecture: Participates in development of quality entity relationship diagrams, database normalization schemas, logical to physical database mapping, data table parameters, etc. Reviews the physical model created from the logical model, ensuring data structures and databases comply with standards, guidelines, and procedures.	100			System Architecture: Provide technical architecture support to ensure scalability and reliability of the system.	100		
						Security: Responsible for system and data security, and ensures security policies and procedures are established.	100		
						Configuration Management: Responsible for management of configuration changes through a defined configuration management and change control process that requires configuration identification, proposed changes, evaluation and prioritization of changes, integration of changes, and avoidance of impact to the document management system or other CDI systems.	40		
						Data Conversion: Convert data stored from existing paper-based processes to the new paperless system repository.	160		
						System Testing: Perform system testing for all changes or updates to new paperless processes.	300		
						System Integration: Develop scripts and provide additional programming support for ongoing system maintenance and developments that require integration with other CDI systems.	30		
						Scanning Administration: Ensure that scanning processes are properly deployed and operational; monitor updates of scanned images to the repository; research and address system errors that might be associated with the creation and export of scanning batches.	150		
						Documentation and Reporting: Prepare and update documentation, provide management and statistical reporting, and perform other administrative tasks.	20		
						System Consulting: Helping programmers and business analysts to efficiently utilize the system and database.	10		
						Project Management	70		
TOTALS	1,780	TOTALS	1,780	TOTALS	1,780	TOTALS	1,780	TOTALS	4,445
POSITION EQUIVALENT / 1,778 HOURS	1	POSITION EQUIVALENT / 1,778 HOURS	1	POSITION EQUIVALENT / 1,778 HOURS	1	POSITION EQUIVALENT / 1,778 HOURS	1	POSITION EQUIVALENT / 1,778 HOURS	2.5